

EXHIBIT A

Corus UK Limited

**Conditions of Service
Group Senior Management**

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CORUS UK LIMITED

CONDITIONS OF SERVICE – GROUP SENIOR MANAGEMENT

The following Conditions of Service (including Appendices), together with your offer of appointment letter ("the Appointment Letter"), form your employment contract with Corus UK Limited ("the Company").

1. Medical Examination and References on Joining the Company

- 1.1 All offers of employment are conditional upon a satisfactory medical report received from a doctor nominated by the Company and upon receipt of references satisfactory to the Company.
- 1.2 If either the medical report or any of the replies from referees are not considered by the Company to be satisfactory or if false or misleading information is given by a candidate on an application form or during interview, the Company reserves the right either to withdraw the offer of appointment or to terminate the employment (without notice) if it has already commenced.

2. Appointment Details

- 2.1 The nature of your appointment is as set out in the Appointment Letter.
- 2.2 You will devote the whole of your time and attention to the business and affairs of the Company and you will perform such functions and duties as the Company may from time to time reasonably require.
- 2.3 You will be subject to and comply with Corus Group's policies, rules and practices. In this context your attention is drawn to Group Policy Documents, which exist on a range of subjects - you can gain access to these documents through your superior.
- 2.4 You will require written permission from the Company if you intend to engage in any business or undertaking (as proprietor, director, employee or otherwise). Such permission may be conditional upon your accounting to the Company for all remuneration received in respect of such business or undertaking.

3. Standards of Conduct and Disciplinary Procedure

- 3.1 The highest levels of conduct and integrity are expected from all employees. The Company's Code of Conduct as from time to time published (reproduced in its latest form in Appendix 1) provides authoritative guidance about the standards of conduct expected. The Disciplinary Procedure for Senior Management is attached at Appendix 2 and will apply to your employment with the Company in the form attached or as from time to time amended.

4. Notice

- 4.1 The period of notice that your employment may be terminated, in writing, by the Company, or by you giving notice to the Company, will be that stipulated in your appointment offer letter.
- 4.2 The Company reserves the right during the period of notice (whether given by you or the Company) to assign to you any other duties as and when requested by the Company or to place you on leave and in any case on full pay and with the other terms and conditions of your employment remaining unchanged and continuing to apply.
- 4.3 Your employment will in any case automatically terminate on your 65th birthday.

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5. Remuneration

- 5.1 On commencement of employment your salary will be as set out in the Appointment Letter and deemed to accrue from day to day. It will be paid monthly in arrears by bank transfer.
- 5.2 Salaries are reviewed annually by the Company and any increases in your salary will be notified to you in writing.
- 5.3 Any director's or other fees receivable by you from subsidiary or associated companies of Corus Group must be paid to the Company.
- 5.4 You will be eligible for any bonus payments due under the performance related bonus arrangements applicable to you as advised to you from time to time in writing.

6. Expenses

- 6.1 You will be entitled to reimbursement by the Company of all reasonable travel, hotel, hospitality and other incidental expenses necessarily incurred in the performance of your duties.

7. Working Hours

- 7.1 Your normal working week will comprise 36½ hours and your daily working hours will be in accordance with local arrangements.

8. Annual Holiday and Deferred Holiday

- 8.1 Your annual holiday entitlement is 25 working days in each holiday year (1 April to 31 March), to be taken at such times as may be convenient to the Company within that holiday year. You are also entitled to statutory and other holidays as may be recognised locally by the Company from time to time.
- 8.2 You will be entitled to accrue deferred leave credits in accordance with the rules of the Deferred Leave Scheme attached at Appendix 3 (or as from time to time amended) to enable periodic extended holidays to be taken.

9. Company Car

- 9.1 You will be eligible for a car fully taxed, insured and maintained at the Company's expense in accordance with the Company Car Scheme Rules issued from time to time. The models of car available to you and the conditions of use may be varied by the Company without notice. The provision of a Company car represents a taxable benefit and you will be liable for any tax charge arising from it. Your 'benchmark' vehicle category will be stipulated in the appointment offer letter.

10. Health Care

- 10.1 You will be eligible for membership of the non-contributory Senior Management Health Care Scheme, which provides private medical insurance for yourself, your spouse and eligible children. The cover provided by the scheme is set out in the rules associated with it, which the Company may vary from time to time. Provision of private medical insurance by the Company represents a taxable benefit and you will be liable for any tax charge arising from it.
- 10.2 You will be expected to attend a regular health check normally carried out by one of the Company medical officers, or a nominated alternative, every two years.
- 10.3 You should be aware that from time to time the Company's medical officers may have to

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advise the Company where there is evidence that a medical condition exists which might be adversely affected by the individual's job or which might impair job performance. In any such circumstances the individual's consent would be obtained before any approach was made to the Company.

11. Payment During Sickness

- 11.1 The Company's practice with regard to payment of salary in respect of periods of absence from duty due to sickness or injury is, as a minimum, to make payments equivalent to full salary for the first six months of absence and equivalent to half salary for the next six months. The Company reduces "full salary" payments by all benefits payable under any statutory scheme then in force but does not make similar deductions during periods of payment of "half salary".

12. Pension Arrangements

- 12.1 New employees automatically become members of the British Steel Pension Scheme from the date of appointment unless the Company is given written notice to the contrary by the employee on or before the first day of employment. An explanatory booklet giving details of the British Steel Pension Scheme is included with Appointment Letters to new employees.
- 12.2 As a member of the British Steel Pension Scheme you also automatically become a member of the Supplementary Section of the Scheme.

13. Confidential Information

- 13.1 You are aware that in the course of your employment you will have access to and be entrusted with information in respect of the business, financing, dealings, transactions and affairs of Corus Group (and its subsidiary and associated companies) ("Corus Group") all of which information is or may be confidential ("Confidential Information").
- 13.2 You will treat as confidential during your employment and for a period of two years from termination of your employment all Confidential Information and will not divulge to any person or otherwise make use of any trade secret or secret manufacturing process or any Confidential Information concerning Corus Group or any of Corus Group's suppliers, contractors, agents, distributors or customers.
- 13.3 All notes and memoranda of any trade secrets or Confidential Information or concerning any of Corus Group's suppliers, agents, distributors or customers which have been acquired received or made by you during the course of your employment shall be the property of Corus Group and surrendered to an appointed officer of Corus Group upon termination of your employment (howsoever arising).

Inventions and Patents

- 14.1 You will promptly and fully disclose to the Company in confidence any invention or innovation made or discovered by you during the term of your employment. Where such an invention or innovation is made or discovered in the course of your duties and is within the scope of the Company's business interests, it shall subject to the Patents Act 1977 be the exclusive property of the Company and you will do all things necessary to enable the Company to protect and exploit the Company's rights in any such invention or innovation.

15. Restrictions After Employment

- 15.1 You hereby undertake that (except with the written consent of the Company which will only

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be withheld where the Company considers it reasonably necessary to protect the legitimate interests of Corus Group (as defined in clause 13)) you will not:-

- 15.1.1 within the United Kingdom and for a period of six months after ceasing to be employed under this contract (except where such employment is terminated wrongfully by the Company) either alone or jointly be engaged in an activity which shall be in competition with the business of Corus Group at the time you left the Company's employment;
 - 15.1.2 endeavour to entice away from Corus Group any person who has, at any time during the twelve months immediately preceding your leaving the Company's employment, been employed or engaged by Corus Group in a senior capacity.
- 15.2 It is agreed between you and the Company that whilst the restrictions set out in Clause 15 are considered to be fair and reasonable, if any of the restrictions are viewed as going beyond what is fair and reasonable in all the circumstances and if by deleting part of the wording or substituting another period of time or different geographical limit or a more restricted range of activities for those set out in this Clause 15 it would not be void then such substitutions and/or deletions shall be made as shall render this Clause 15 or such appropriate part of it valid and enforceable.

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APPENDIX 1

CORUS UK LIMITED

CODE OF CONDUCT

1. Corus UK Limited expects from its employees the highest standards of integrity and conduct in all matters concerning the Company. Employees must not subordinate their duty as Company employees to their private interests, or place themselves in any position where their responsibilities as a Company employee might conflict with their private interests or give grounds for suspicion in this regard. The Company looks to its employees to exercise scrupulous care at all times in these matters, and particularly in those which are covered in more detail in the succeeding paragraphs.

Gifts, Favours and Hospitality

2. No gifts (other than advertising matter of modest value such as calendars and diaries) or favours should be accepted by a Company employee, or their close family, from people or organisations with whom the employee has, or it is reasonable to expect may have, business dealings on behalf of the Company. Similarly, Company employees should not offer gifts or favours to business contacts or their close families.
3. Offers to a Company employee, or their close family, of hospitality or entertainment of a frequency, type or scale, which the Company would not wish to reciprocate, should not be accepted. Rigid definitions are not possible but the Company looks to its employees to exercise common-sense and judgement and, if in any doubt, to decline an offer.
4. Any offer of an unreasonably generous gift, favour or hospitality that is received should immediately be reported by the employee in writing to their Director (or equivalent).
5. It is important to be aware that corruptly soliciting or receiving any gift or favour (including an attempt) is a criminal offence.

Share Dealing

6. During their work, employees may gain access to unpublished information about the Company's activities or future prospects which, if published, might affect the price of the Company's shares or other securities. It is a criminal offence to deal in shares on the basis of "insider" knowledge or information.
7. Certain nominated employees are the subject of the Stock Exchange Model Code for share dealing and will have been advised of this situation if applicable.
8. References to 'shares or other securities' means any type or class of share, debenture, loan stock or option traded on a recognised stock exchange and whether the purchase or sale is made through an employee share scheme or otherwise.

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9. No Company employee (or, with their knowledge, their close family) should hold shares or otherwise be financially involved in any outside business if the employee's activities on behalf of the Company could materially affect the fortunes of that business. This includes businesses which are or which may become Company suppliers, customers or significant competitors. If any such interests are already held the employee should declare these through the normal channels, to their Director (or nearest equivalent), who will advise whether any disposal of shares or other action is necessary. (It may, for example, be possible to transfer responsibility for negotiating particular contracts to another employee.)
10. Interests of a non-pecuniary nature can be just as important as pecuniary interests. Kinship, friendship, membership of an association and many other kinds of relationship can sometimes influence an individual's judgement or at least give the impression to other people that he may be acting from personal motives. It is therefore in an employee's own interest, as well as that of the Company, that he should declare any such non-pecuniary interests which might in any way be thought to affect the proper discharge of their duties as a Company employee.
11. If in any doubt about the interpretation of paragraphs 9 and 10, the employee should consult their Director, through the normal channels, for advice on the appropriate action in the circumstances concerned.
12. If a Company employee wishes to engage (whether or not in working hours) in any outside business as a proprietor or director, he must first obtain written permission from their Director. He must also obtain such permission before becoming involved with any outside business as an employee, or in some other capacity, if there could conceivably be a conflict with the Company's own interests.* Each case will be considered on its merits.
13. Before undertaking any such outside business activities in normal working hours, employees also need to obtain permission under separate rules governing extramural activities - even where there is no possibility of a conflict of interests. Permission may be conditional upon the employee accounting to the Company for all remuneration or benefits received by the employee in respect of such outside business or undertaking.
14. These rules on business activities do not apply to local government or other local public activities. These are governed by separate rules under which the Company, in general, encourages employees to participate in the political and civic life of their communities.

Official Information

15. No Company employee or former Company employee may disclose to unauthorised persons confidential or other classified information to which he has had access as an employee of the Company.
16. Classified information from Government Departments to which Company employees have access in the course of their work is also subject to rules concerning unauthorised disclosure and misuse of information: The unauthorised disclosure of such information is an offence under the Official Secrets Acts.

* Senior Managers require written permission in all circumstances.

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General

17. Employees should note that it is their personal responsibility to apply the principles of this code on every relevant occasion. Failure to comply with this code may result in disciplinary action, which can include dismissal, in accordance with the appropriate Disciplinary Code, as agreed with the relevant trade unions.
18. All references in this document to male employees shall be interpreted as reference to female employees also.
19. All references in this Code to the Company or to Corus UK Limited include all Corus UK Limited's UK subsidiaries, to which this Code equally applies, excluding the UK subsidiaries of Avesta Polarit.

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APPENDIX 2

CORUS UK LIMITED

DISCIPLINARY PROCEDURE FOR GROUP SENIOR MANAGEMENT

Objective

1. It is important to have a consistent standard and application of disciplinary procedures across the Company and ensure that the requirement for the fair treatment of Group Senior Managers in a disciplinary situation is met.

Disciplinary Procedure

2. This procedure is intended for the guidance of those who may have to discipline Group Senior Managers and for Group Senior Managers who may themselves be the subject of disciplinary action.
3. The procedure set out below should be followed in all cases.

i Where an indication of misconduct or neglect arises (including breaches of safety and health regulations or procedures) the circumstances should be fully investigated by the individual's immediate superior in conjunction with the appropriate Personnel Director/ Manager (or deputy).

ii When the investigation has been completed the individual should be informed, normally in writing, of the alleged misconduct or neglect along with the findings of the investigation and be given a reasonable opportunity to respond at a formal meeting convened for this purpose. The meeting should be chaired by the individual's Director or equivalent with the business head of Personnel (or deputy) present. The individual has the right and should be given the opportunity of being accompanied by either a colleague or their steel industry union representative (as appropriate).

iii Where the investigation and formal meeting establishes that there has been no misconduct or neglect, the individual should be informed of this immediately in writing confirming that no action is to be taken.

iv Where the investigation and formal meeting establishes misconduct or neglect and disciplinary action is appropriate; the Director involved should confirm the recommended action with their Managing Director.

v The disciplinary action should be taken as appropriate to the facts and circumstances. Where misconduct or neglect is established which is the individual's first offence, the Senior Manager should be given an oral warning subject to confirmation in writing. In the case of serious misconduct or neglect, a written warning should be given setting out the circumstances and indicating that further disciplinary action may be taken if the offence is repeated. Only in cases of gross misconduct or willful neglect, including breaches of safety and health requirements and procedures or the improper operation of plant, should action beyond a formal warning be taken for a first offence. Further disciplinary actions such as final warning, temporary transfer to other work, suspension with or without pay, dismissal, etc., must be authorised by the appropriate Managing Director or equivalent and should be recorded in writing and given to the Group Senior Manager.

vi Records of proceedings should be kept throughout the disciplinary procedure. At formally constituted meetings the proceedings should be minuted and a copy provided to

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the individual concerned. The outcome of disciplinary hearings should always be confirmed to the Group Senior Manager in writing.

vii Group Senior Managers have the right of appeal in the first instance to their Managing Director or a nominated substitute and thereafter to the Executive Director responsible for the business or head office function in which the individual works, or where unavailable another Executive Director nominated for this purpose by the Chief Executive. If at any stage of appeal, it is established that there has been no misconduct or neglect the individual should be informed of this in writing including that no action is to be taken.

Managing Directors or equivalent functional heads have the right of appeal in the first instance to their Executive Director or where unavailable another person nominated for this purpose by the Chief Executive and thereafter to the Chief Executive himself.

Levels of Authority and Appeal

4. The broad basis for levels of authority and appeal in the Group Senior Management Disciplinary Procedure are summarised schematically below:

Reports to Director Or other Group SM

Action initiated by:	Director or equivalent
Confirmed by:	Managing Director or equivalent
Appeal to:	(1) Managing Director or equivalent (2) Executive Director (or substitute)

Reports to Managing Director

Action Initiated by:	Managing Director or equivalent
Confirmed by:	Executive Director or equivalent
Appeal to:	(1) Executive Director (or nominated substitute) (2) Chief Executive or nominee

Reports to Executive Director

Action Initiated by:	Executive Director
Confirmed by:	Chief Executive or nominee
Appeal to:	(1) Chief Executive or nominee

The appropriate head of Personnel or deputy should be involved at each stage.

Revised January 2002

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DEFERRED LEAVE SCHEME FOR GROUP SENIOR MANAGEMENT

Subject to UK Conditions of Service

Scheme Rules

1. The purpose of the scheme is
 - (i) to ensure that Group Senior Managers participating in the scheme can take an extended holiday from time to time as one way of reducing the stress involved in long term occupation of a demanding job, and
 - (ii) to provide Management Development opportunities by allowing other individuals to deputise for reasonably extended periods of time.

Deferred Leave Credits

2. Participants will be credited with 1 week (5 working days) deferred leave for each full calendar year's service from the date of joining the scheme to enable periodic extended holidays to be taken.
3. An individual's outstanding deferred leave credits will be limited to 8 weeks (40 working days).

Extended Holidays

4. The minimum period for an extended holiday is 4 consecutive weeks of which at least 2 weeks (10 working days) must be deferred leave.
5. The taking of an extended holiday is subject to the needs of the Company and reasonable notice must be given by making a formal request to the appropriate superior who will inform Group Compensation & Benefits.
6. Participants in the scheme are expected to take an extended holiday using deferred leave credits at least every 5 years.

Payment in Lieu

7. Where an extended holiday is taken in accordance with these Rules, the Company is prepared to make payment in lieu of up to 3 weeks (15 working days) deferred leave for each 2 weeks (10 working days) deferred leave taken. Payment in lieu will be calculated as a proportion of current basic annual salary (including London Location Allowance where applicable) in the month in which the payment is made. Payments in lieu are made through the payroll and are taxable but non-pensionable and non-bonusable. Payment may be requested up to 2 months before the deferred leave is taken in order to help with funding the extended holiday.

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8. Payment in lieu of outstanding deferred leave credits will be permitted where individuals retire or in the case of redundancy, subject to a maximum of 8 weeks (40 working days).
9. No payment in lieu will be made in the case of resignation or dismissal.

Management Development

10. Details of the individual who is to deputise for the Group Senior Manager whilst on an extended break must accompany the notification to Group Compensation & Benefits of the intention to take deferred leave and must also be recorded on the appropriate Management Development records.

Group Compensation and Benefits
PO Box 101, Weldon Road
Corby, Northants
NN17 5UA